

Talanx: Coal Projects in Poland and Vietnam Become Litmus Test for New Climate Ambitions

Hannover, May 9, 2019 A new briefing on the coal insurance business of Talanx, one of Europe's leading insurance companies, reveals the weak spots in its recently announced coal exclusion policy. The analysis published today by the NGOs Urgewald, Unfriend Coal, Market Forces and CHANGE Vietnam, finds that loopholes in the announcement could allow the company to continue supporting an expansion of the coal industry in Poland and Vietnam via its subsidiaries. **These concerns cast doubt over the seriousness of the company's climate ambitions on the day of its annual general meeting in Hannover, Germany.**

On April 18, Talanx announced it would not provide coverage to new coal plants, but allow exceptions for "countries where coal accounts for a particularly large share of the energy mix and access to alternative energy sources is insufficient".¹

This paragraph becomes a test case in Poland and Vietnam, two countries with a huge pipeline of new coal projects and where Talanx is involved as insurer. According to research by Unfriend Coal, **Talanx's fully owned subsidiary Tuir Warta is the biggest underwriter of the Polish coal market and has been found in 18 coal insurance contracts since 2013.**

New research also found that Talanx bears high responsibility for the development of new coal plants in Vietnam. **Its minority interest subsidiary PetroVietnam Insurance (PVI) insures or has insured 6 coal-fired power plants or plant extensions in the country.**²

Regine Richter, Energy Campaigner at the German environment NGO Urgewald, comments: **"It seems that Talanx has adopted a coal policy that avoids significant impacts to its bottom line, rather than a strong position to alleviate the enormous health and environmental burden that coal places on the communities in which the company operates.** Talanx should ensure to bar such dirty projects from further insurance services and stop locking-in communities to a carbon-intensive future. The fact that renewables have become more competitive than coal in most countries also raises doubts about Talanx's coal insurance deals from a business point of view."

Richter adds: **"For the company's Polish coal activities, the new policy must lead to a quick clean up, since the climate crisis leaves no room for loopholes here. In Vietnam, Talanx must use its minority ownership of PVI to ban coal or withdraw from the company."**

Vietnam is a hotspot for new coal plants with 16.2 gigawatts (GW) of installed coal capacity and plans for an additional 42.9 GW. **This makes Vietnam the country with the world's 3rd largest coal plant pipeline. What's more, Vietnam has already experienced a significant rise in air pollution due to coal power stations, which were responsible for 4,300 premature deaths in 2011.** According to researchers at Harvard University, this number is projected to rise almost five-fold by 2030.

¹ The company states that "the Talanx Group will allow a limited number of exceptions for the provision of insurance protection on a case-by-case basis and after reviewing the technical standards in such cases."

² By its own account PVI presently insures the Nghi Son 2, Duyen Hai 2, Hai Duong, Vinh Tan 4 (extension), Thai Binh 1 and Thang Long coal-fired power plant. The total lifetime CO2 emissions of these projects would be close to 1 billion tonnes. Find more details in the new briefing.

Hong Hoang, Obama Scholar and Executive Director of the Vietnamese climate protection group CHANGE, says: “The past four years have seen protests against pollution from the Vinh Tan coal power plant in Vietnam insured by PVI. The Vinh Tan community wants a future based on clean energy sources instead of dirty coal. **Insuring plants like Vinh Tan 4 or Hai Duong means insuring climate collapse and respiratory illnesses. We call on Talanx to prepare PVI for a rapid coal phase out and immediately use its power to prevent the building of new coal plants here.**”

Further Reading:

Briefing: “Talanx: Seriously Clearing Up or Silently Continuing Support for Coal?”

<https://urgewald.org/sites/default/files/Talanx.pdf>

Contact:

Moritz Schroeder-Therre, Communications Director Urgewald:

+49 176 64079965, moritz@urgewald.org